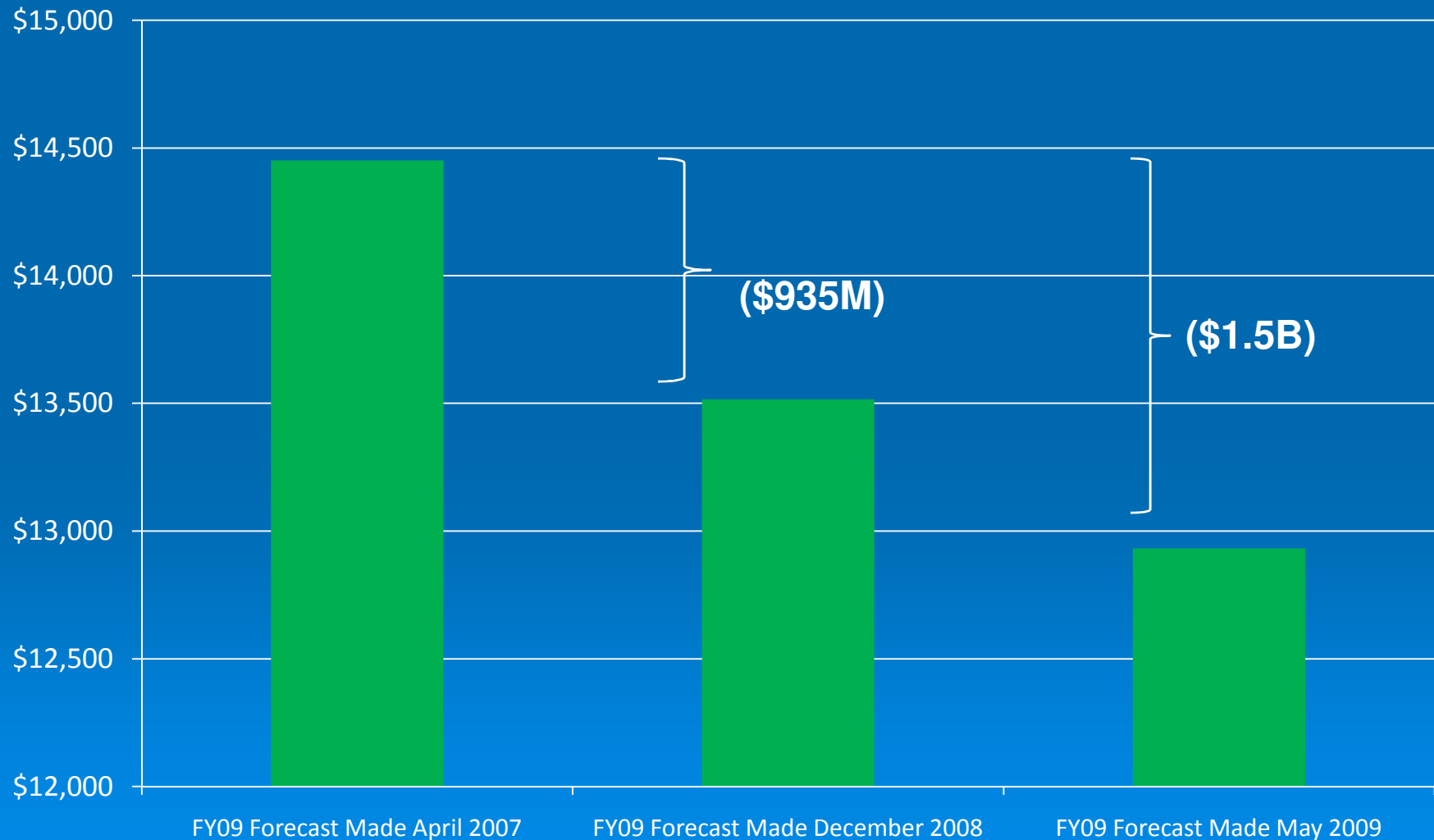


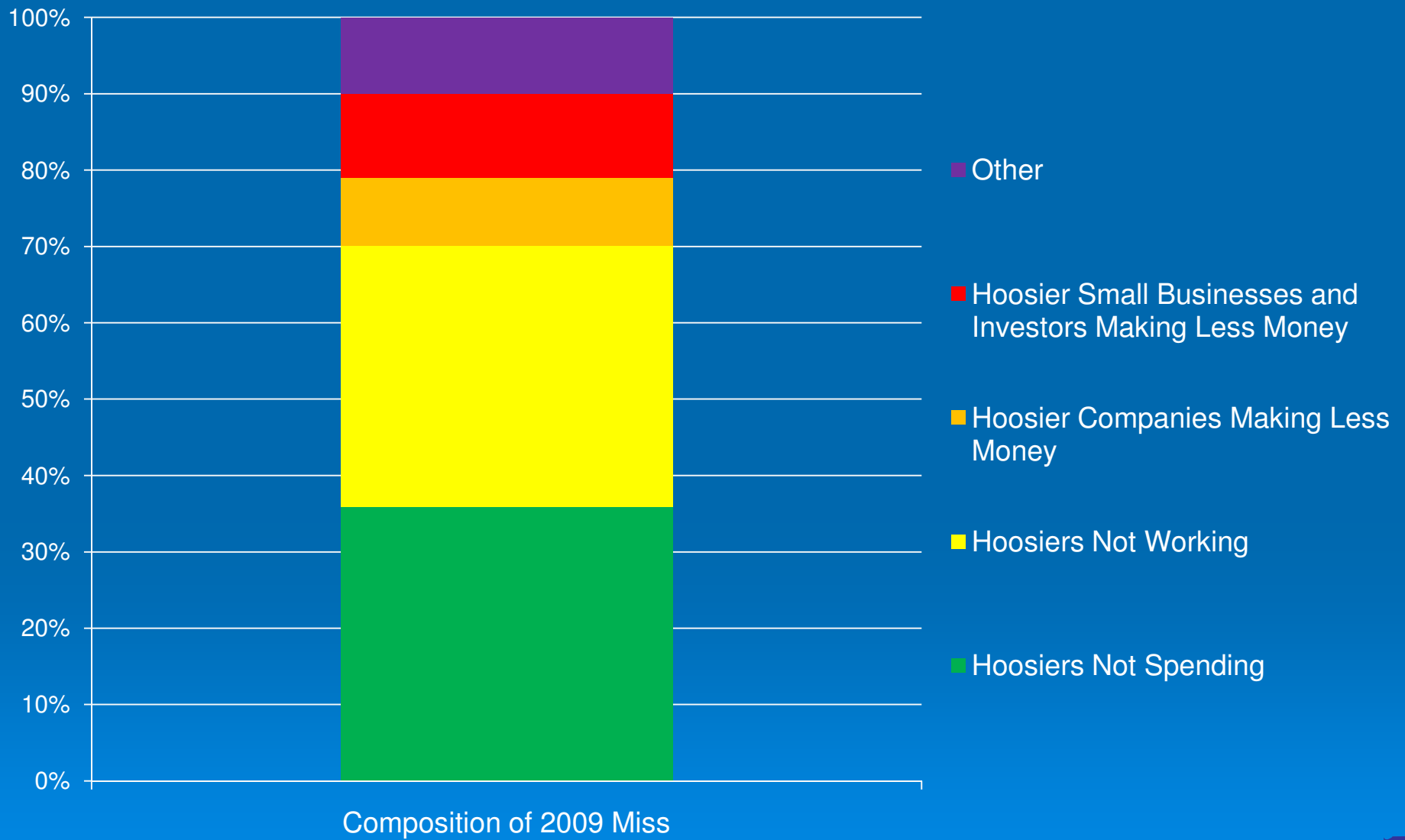
FY09 Revenue Loss

\$1.5B loss in projected revenue for FY09 since last budget was passed

FY09 Projected Revenues



Composition of FY09 Drop



FY07 vs. FY11

Revenue Collections



➤ FY11 revenues below FY07 revenues by more than \$40M

* Projected

State Actions Taken to Restrain Spending

- July 2008: 7% reduction
- November 2008: Hiring freeze
- December 2008: \$767M of additional reductions
- Not affected:
 - Education
 - Public Safety
 - Child Protection

K-12 Cuts in Other States

- At least 35 states are either proposing or implementing cuts to K-12 education:
 - Alabama cut K-12 funding by more than 12%, the biggest cut to education in 48 years
 - California cut K-12 education by more than 16%
 - New York's proposed cuts would lead to cuts of up to 13% for all school districts
 - Utah cuts may lead to a 12% reduction in per pupil funding by 2010
 - Virginia's Governor proposed cutting public education by more than 9%

STATES CUTTING EDUCATION

